

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the of hour of 11 a.m. Under the previous order, the first half of the time shall be under the control of the Democratic leader or his designee.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. LAUTENBERG pertaining to the submission of S. Con. Res. 13 are printed in today's RECORD under "Statements on Submitted Resolutions.")

Mr. LAUTENBERG. Mr. President, I send the resolution to the desk and ask unanimous consent that it be held there.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank my colleague from New Jersey. I think the resolution that he and other colleagues bring before us is certainly one that should be considered seriously for those who are committed to human rights.

THE STATE OF THE AMERICAN ECONOMY

Mr. DURBIN. Mr. President, I would like to move the spotlight of the comments on the Senate floor this morning from the international scene to the domestic scene, and point to the front page headline of the New York Times, Wednesday, March 5: "U.S. Budget Deficit Seen Rising Fast." This is an analysis that they report which comes from the Republican-controlled House Budget Committee. It is a startling piece of information. I will read the first two paragraphs from this article:

The federal deficit is growing much more quickly than expected, even before Congress takes up President Bush's tax-cutting proposals and without factoring in the costs of a war in Iraq, Congressional analysts have concluded.

Analysts for the Republican-controlled House Budget Committee have raised their estimates of this year's budget shortfall by about \$30 billion, some 15 percent beyond the forecast . . . issued only five weeks ago.

We come today to discuss many issues, but certainly one of the overriding issues is the state of the American economy and what we are doing on Capitol Hill to deal with the challenges we face.

There was a time, not that long ago, when the Republican leaders, conserv-

ative in philosophy, really condemned the whole problem of deficits in our country and said they were dedicated to eliminating them. Now we hear from Treasury Secretary Snow and others that deficits are meaningless: Don't worry. Be happy.

The concept of going to a \$400 billion deficit next year is not only a troubling prospect but represents a dramatic turnaround in terms of Federal spending in Washington, DC.

When this President came to power—President George W. Bush—he inherited a surplus. He came into office with a set of circumstances that any President, any Executive, would be happy to find. We had reached the point where we were not overspending.

Of course, the President, as he came to office, saw the beginning of a recession which has become progressively worse under his administration to the point now where we see consumer confidence at historic lows, unemployment at historic highs, people in business across America depressed and sometimes despondent over whether we are going to find our way out of this budget problem.

Second, the President—and this, of course, in fairness, is not his doing by any means—inherited the age of terrorism and the threat of terrorism which has created a dampening problem across the economy that cannot be diminished. That is a major factor.

So he has a recession which has become progressively worse while he has been in the White House, terrorism which has cast a pall over the economy, but then this President made matters worse. Two years ago he said to this country, even though we are facing deficits, the thing we should do first is to cut taxes. Any politician who announces a tax cut is going to get applause. People love that idea. Of course, they would, to think they would have more money that is not taken by the Government. But the President came up with this proposal at exactly the wrong time in exactly the wrong way. In a deficit situation, he made it worse.

Two years ago, he proposed a tax cut which took more money out of the treasury and, frankly, did not invigorate the economy. He gave a tax cut to the wealthiest people of America. It is the age-old Republican approach. They believe if tax cuts are given to the wealthiest people, somehow that will eventually help middle-income families and those in the lower income categories. It didn't work 2 years ago. People in the lower income categories saw a \$300 check, and they didn't change their lifestyle. It did not invigorate the economy. Things went from bad to worse. Now this President comes and tells us what we need for the economy is more of the same, tax cuts for the wealthiest people.

Quite honestly, if it didn't work 2 years ago, it is not going to work now. It won't invigorate the economy. It will drive up the deficit at a time when

the bottom is falling out of the Federal budget.

Don't take my word for it. The Republican House Budget Committee tells us we are about to see a record deficit. This President's proposal for tax cuts over a 10-year period of time will dramatically increase the national debt. It means our children and our grandchildren will have to shoulder the burden of the debt we are leaving them. It means programs such as Social Security are likely to languish and suffer because of this President's reckless economic policies.

To think this deficit is coming out of the Social Security trust fund should give us all pause. You know the demographics. The baby boomers are about to reach an age when they qualify for Social Security and Medicare. We should be mindful of that. We should be preparing for that. We should be cautious and prudent.

Instead, this White House and many who support it have said: Forget it; don't worry about it. Keep borrowing money from the Social Security trust fund. Keep jeopardizing the future of Medicare, drive up the deficits, increase the tax cuts so that tax breaks can be given to the wealthiest people.

Why in the world would we follow this course of action? Those who call themselves conservatives should have an examination of conscience, as the nuns used to tell me many years ago in grade school. They should sit down and ask themselves, Is this really why I came to Congress, to build up a national debt to record levels?

Let me add one important footnote. There is another tax out there that this administration will not talk about. It is called the alternative minimum tax. It was created years ago to make sure people who escaped all tax liability, people in the highest income categories, would pay something, an alternative minimum tax. But sadly, this tax, without reform, has grown in terms of its application, has grown in terms of the people who are being affected by it to the point that in just a few years you will see more and more middle-income Americans paying more in an alternative minimum tax than they are paying in their regular income tax rates.

Who will be the people affected by this? People with incomes below \$100,000, middle-income families. People with a teacher in the family and a policeman, for example, will find themselves paying an alternative minimum tax.

What does it take to fix this problem? A lot of money; to eliminate it, \$600 billion that this President has not budgeted for.

This President and his administration refuse to tell Congress and the people what we are getting into in terms of our exposure in the war in Iraq, how much it will cost. Larry Lindsey, the President's economic advisor until he was asked to leave a few weeks ago, blurted out that this war